

IRS Voluntary Disclosure Program

The IRS voluntary disclosure program provides a way for taxpayers with previously undisclosed income to contact the IRS and resolve their tax matters. This program does not apply to taxpayers whose income is derived from illegal activities. The voluntary disclosure practice is a longstanding practice of IRS. However, taxpayers with undisclosed offshore accounts who come in before October 15, 2009, will fall under the special provisions issued in [March](#).

What is a Voluntary Disclosure?

A voluntary disclosure occurs when a taxpayer provides information that is truthful, timely, and complete. The taxpayer must cooperate with the IRS in determining his or her correct tax liability and make arrangements to pay the IRS in full.

What is a Timely Voluntary Disclosure?

The voluntary disclosure must be received **before**:

- a. the IRS has initiated a civil examination or criminal investigation of the taxpayer, or has notified the taxpayer that it intends to commence such an examination or investigation;
- b. the IRS has received information from a third party (e.g., informant, other governmental agency, or the media) alerting the IRS to the specific taxpayer's noncompliance;
- c. the IRS has initiated a civil examination or criminal investigation which is directly related to the specific liability of the taxpayer; or
- d. the IRS has acquired information directly related to the specific liability of the taxpayer from a criminal enforcement action (e.g., search warrant, grand jury subpoena).

How Do I Make a Voluntary Disclosure?

Tax professionals or individuals who want to initiate a voluntary disclosure should [contact](#) their nearest IRS Criminal Investigation office (contact information can be found on www.irs.gov). Taxpayers with questions may call the IRS Voluntary Disclosure Hotline at (215) 516-4777 or visit www.irs.gov.

Foreign Bank Account and Financial Records (FBAR) Filing:

Taxpayers who reported and paid tax on all their taxable income for prior years but did not file FBARs should file the delinquent FBAR reports. Help with questions about FBAR filing requirements is available on the FBAR Hotline at 1-800-800-2877, and select option 2. You can also submit written questions about the FBAR rules by e-mail addressed to FBARQuestions@irs.gov.